



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Independent Bank Corp. (Holding Company) Rockland Trust (Bank Subsidiary)

Person to be contacted regarding this report:	Denis Sheahan
CPP Funds Received:	\$78,158,000
CPP Funds Repaid to Date:	\$78,158,000
Date Funded (first funding):	1/9/2009
Date Repaid ¹ :	4/22/2009

RSSD: (For Bank Holding Companies)	1136803
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	9712
City:	Rockland
State:	Massachusetts

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	
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<input type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	
<input type="checkbox"/>	Make other investments	
<input type="checkbox"/>	Increase reserves for non-performing assets	

<input type="checkbox"/>	Reduce borrowings	
<input type="checkbox"/>	Increase charge-offs	
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	

What actions were you able to avoid because of the capital infusion of CPP funds?

None. The infusion of CPP funds was returned in approximately 3 months. See below for further comment.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

None. The infusion of CPP funds was returned in approximately 3 months. See below for further comment.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

In November 2008 Independent Bank Corp. ("Independent") voluntarily applied to participate in the TARP Capital Purchase Program (the "CPP"). On January 9, 2009 Independent formally became a CPP participant when, in return for a \$78,158,000 investment from the United States Department of the Treasury (the "Treasury"), Independent issued and sold to the Treasury preferred stock and a Warrant to purchase Independent's common stock. On January 26, 2009 Independent issued a Press Release which stated, in pertinent part: Management anticipates using CPP funds to expand lending to creditworthy consumers and businesses and, when appropriate, to modify residential mortgages. The Company's fourth quarter 2008 loan growth was expanded in anticipation of successfully raising capital through CPP participation. The Company fully intends to deploy its CPP capital in a deliberate and responsible manner. CPP participation, however, came to have a stigma associated with it, with media coverage mischaracterizing the program as a bailout and altogether ignoring the ongoing expense associated with receipt of a CPP investment. On February 17, 2009 the American Recovery and Reinvestment Act of 2009 was enacted. A portion of that law significantly changed the legal requirements applicable to CPP participants. On March 13, 2009 Independent responded to a written inquiry from the Special Inspector General -TARP regarding the CPP by stating, in pertinent part, that "Independent is evaluating the provisions of the American Recovery and Reinvestment Act of 2009 which relate to the CPP and reserves the right to revise its currently anticipated future CPP plans based upon that review." After considering the stigma which had come to be associated with CPP funding and the changes to legal requirements created by the American Recovery and Reinvestment Act of 2009, Independent's Board of Directors determined that it would be in the best interests of Independent's shareholders, customers, communities, and employees to repay the CPP investment and unanimously voted to do so. After receiving required regulatory consents and/or approvals, on April 22, 2009 Independent repurchased the Treasury's CPP investment paying, in full, all amounts due. Independent also subsequently repurchased from the Treasury the Warrant to purchase independent's common stock which had been issued in connection with the CPP investment. From January 9, 2009 until April 22, 2009 the entire CPP investment was maintained at Independent. None of the CPP investment was ever contributed downstream from Independent to its wholly-owned bank subsidiary Rockland Trust Company ("Rockland Trust"). The CPP investment made into Independent, therefore, was never used to fund any lending or other activity of Rockland Trust. Maintaining the CPP investment at Independent, however, did not deter Rockland Trust's lending because Rockland Trust considered and closed record amounts of commercial loans during 2009.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.